

STATE OF THE CITY AND GOALS FOR 2017

CITY OF STAFFORD, TEXAS

By Mayor Leonard Scarcella

25 January 2017

During its 60 year history as an incorporated municipality, the City of Stafford has initiated unique and dramatic change. From a small farming community along US 90A snuggled 12 miles west of Houston in 1956 to an incredibly accessible urban center today lying in the heart of one of the heaviest traveled, fastest growing metroplexes in the nation. That alone, however, fails to capture the essence of the innovative transformation which has occurred here. What does provide the most revealing insight is our headline garnering accomplishments.

Precipitated by the bold and unprecedented election forty years ago this month to withdraw from the two school districts—Fort Bend I.S.D. and Houston I.S.D.— educating our children and creating the Stafford Municipal School District still shines as one of the

brightest moments in our history. What followed were five years of fierce court battles, coupled with vigorous opposition from two Texas Governors, most state legislators and a number of Commissioners of Education. Fortunately, and most importantly, after being twice renounced by a Federal District Judge, were two hearings before the Fifth Circuit Court of Appeals in New Orleans argued by our brilliant attorney William A. Olson, Sr. The final pronouncement in the case was made by that esteemed court in July 1981. It gave SMSD the green light to operate, making it the only break away school district in the U.S.A. ever ordered implemented by a federal appellate court. Amazingly and most significantly, three hundred other such efforts across the nation have made similar attempts—and all have failed.

A much different but similarly resounding achievement gaining national attention was the abolition of the City's property tax in 1995. Heralded initially in the Wall Street Journal, the word quickly spread throughout the media, and was met with views ranging from strong criticisms to bewilderment to amazement. Twenty one years later it is a companion accolade to SMSD illustrating the ingenuity and fortitude of this City, and its citizens, that has had a host

of knowledgeable people from the halls of Congress, to the statehouse, to most recently, the State Comptroller, singing its praises and asking, “How can you do it.” It has brought more citizens, businesses and resources to Stafford than any other initiative and continues to be, by far, the number one attraction of the reputation and status of this City.

As profound as those accomplishments are, it doesn't stop there. So for good measure, lets sprinkle in a few additional most noteworthy achievements: Instituting zoning twenty years ago despite strong opposition for more than a decade against the backdrop of the chorus, “If Houston doesn't have it, why do we need it”; eliminating general obligation debt and coupling it with the zero property tax for a duo of extraordinary attributes; granting the Freeport Tax Exemption establishing a compulsive magnet to attract foreign and domestic manufacturing companies here, something few cities can tout; literally getting the state legislature to change the law to allow the City to build the HCC Scarcella Science and Technology Center, then sell it to the College through a lease/purchase agreement, thus costing the City taxpayers nothing and providing HCC with its first constructed facility; collaborating with the Texas Department of

Transportation and Union Pacific R.R. on the two underpass, elaborately landscaped, \$100 million enhancement of U.S. 90-A which drew resounding accolades, and today adds a strong quality of life feature and is attracting a flurry of new businesses; and last but certainly not least, erecting the performing arts theatre/convention centre, tabbed the Stafford Centre, which initially met with skepticism, but now, a dozen years and four million visitors later, has Houston suburbs standing in line to establish their own. Anybody want to talk about change?

And the critics in our City: What can be said for them? Specifically, what of substance in the public arena have they accomplished? And what have they done that is likely to be remembered in a positive way.

With this backdrop, it is appropriate to establish where we stand today. However, before jumping into a chorus of activities, it is only fitting we issue a caveat which should be obvious. The Home Rule Charter requires the Mayor to present an annual State of the City and Goals for the year to inform the citizens of Stafford as to our status and what has transpired. It does not require a sugar coated version—and while those are often fun and entertaining, this is not one.

Nor is it striving for political correctness. This message is meant to be factual and accurate in describing one of the most contentious of the nearly 61 years this City has been incorporated. There will be instances where it pleases some and offends others, because what occurred over the past twelve months did just that. Some have said the discord was political. Others, that it was personal. I would submit it was some of both. Having been at this as long as I have, I've seen the good, the bad and the ugly—and know the difference. Regardless, this is how I experienced it—and believe it should be presented to our citizens.

In what are considered the basic areas of service, this City's has numerous solid strengths. The Police Department has materially expanded its personnel, as well as its equipment and technology. This is clearly reflected in the continuing escalation of its expenditures. The best example: Last week we hired a new patrolman with an annual base salary of \$51,000; but when benefits are added the total tab provided was \$87,000. And this does not include the significant cost of training that is vital to the officer becoming the best he or she can be. Credit must be given to Police Chief

Richard Ramirez for improving residential patrols and mobility enforcement with a total force of 77.

Another very high profile component is the Fire Department, which has long maintained the highest ISO rating of One. Not only have personnel, including full time fire fighters and emergency medical servers been substantially bolstered, City Council, in concurrence with the Mayor's recommendation, made a substantial investment in equipment to the fleet shortly before Christmas. Chief Larry DiCamillo demonstrated the urgent need for a new million dollar ladder truck to replace a seriously faltering older 2004 model. As with the police function, cost of the fire fighting/emergency medical services operations and equipping has also increased significantly. And on the subject of the Fire Department functionality, last year Council pushed through a highly dubious proposal authorizing architectural plans, at a cost of \$226,000, for major additions to Fire Station No. 2, at an alleged cost of \$2.3 million. However, a substantial problem surfaced a few weeks ago as preparations for the financing of the project were being determined: the architect's projections were 30% under the construction cost bid of \$3 million. Ironically, when our former Public Works Project Manager said it might cost \$2.3 million—not the

\$1.6 million to \$1.8 million the Council advocates of hiring this ‘specialist architect’ claimed, she was admonished—even ridiculed. At its last meeting, Council, by a split decision, approved moving forward with the project and leaving it to the Mayor to recommend a funding approach.

While it is wise not to get into details, the emergency management component received substantial funding to protect our children, citizens, workers and visitors.

An area getting a lion’s share of Council’s and the public’s attention has been the Public Works Departments’ focus on three drainage projects: the northern portion of the Missouri City Estates Subdivision; Section Four of the Vaccaro Manor Subdivision; and the entirety of the Sugar Creek Subdivision lying in Stafford. Cost of the first two are estimated at \$1.5 million and \$1 million respectively. The latter has some interesting complexities: A portion will be built in a collaboration with the City of Sugar Land, while the larger element will be exclusively a Stafford undertaking.

What is mystifying, is that City Council members and residents strongly supporting these projects, who continually and fervently advocate their importance and merit, seem, at best uncomfortable, at putting these on the ballot as propositions and letting our citizens vote on them. In virtually every other city in this state, substantive capital projects of this nature are financed by bonds—approved by the voters. In all these other cities, the electorate is afforded its right to go to the polls to address the major issues affecting use of large amounts of public funds—especially in a City where the Council not only advocates, but dictates through its rules, that the public is entitled to address every agenda item. Even more confounding is Council’s willingness to commit general funds available for police, fire and other personnel salaries and equipment, and using those dollars for capital expenditures that are going to benefit only a minimal number of property owners, as opposed to allowing the voters the right to make the decision.

Another approach, and equally confounding, is the unwillingness to consider the use of SEDC monies for these projects, especially in view of the homeowners in those affected areas literally extolling, and even

passionately proclaiming their economic value to the entire City.

Dr. Milton Rahman, heads up the department. He's been on the job a little over six months and performing competently. The highly qualified and most intelligent three member team of employees that succeeded him at the top of that unit all left the City under less than desirable circumstances. Dr. Rahman is remolding the staff to address an aggressive approach to improving our streets, on which more a million dollars was spent repairing them and sidewalks, parks and vehicle maintenance divisions. Led by a major \$13 million undertaking in its initial stages is the FM 1092 Corridor Improvement Program proceeding in conjunction with the Texas Department of Transportation, which is anticipated to contribute in excess of \$11 million of that cost, and has the capability to restore and enhance a thoroughfare so that it once again offers great promise as a most dynamic commercial artery— and just as we collaborated on US90-A to elevate it.

Dealing with the largest number of people on a daily basis, many of them disaffected for being there in the first place, is the Municipal Court Department. Under the most capable direction of Nicole Nguyen,

now in her seventeenth year at its helm, it not only generates substantial resources, but through Judge Debra Sinclair-Champagne, administers justice in thousands of complaints a year. A night court advocated by Councilwoman Virginia Rosas was added last year on a trial basis; however, it looks like it'll be permanently retained.

Two departments consolidated into one are those of SMETV and IT under the direction of Carolyn Entricht. Well over a million dollars has been designated to expand these operations. Most notable within this investment are the new elaborate systems for telephones, card entry, and data retrieval in the Information Technology area. Additionally, SMETV, the highly acclaimed municipal access television station, long a stalwart in this arena, has been elevated with enhanced digital equipment to better serve not only our citizenry but all interested in following the various components of the City and SMSD, of which there are many.

One of the most appealing areas are the celebrated City sponsored events aimed directly at entertaining our citizens, and especially our children. The one common denominator: all activities are free. Led by the annual

and much anticipated Independence Day Celebration each July third and fourth, which was a huge success this past summer, and followed by the enchanting Santa's Village function held last month, enthralling our children with numerous booths, free hot dogs, sodas and cookies, and the chance to win a bicycle or other captivating toy to place under the Christmas tree. Susan Ricks is charged not only with the coordination of these events but overseeing the operations of the City's much appreciated swimming pool, the long acclaimed Civic Center and the heralded Stafford Centre--and does a superb job.

Each of these facilities deserve a closer look. The Olympic sized swimming pool is much heralded for its outstanding competitive aspects, as well as the exhilarating enjoyment it brings to so many each year—especially our children. Our Civic Center was the first quality multi-use venue in Fort Bend County. After more than three decades, it remains a highly utilized facility for a myriad of events, often receiving accolades for its versatility. In addition, it remains a most functional building well serving the auditorium needs of SMSD.

With the much ballyhooed unveiling of the Smart Financial Centre in Sugar Land in the last two weeks, the

mostly unspoken question: Can the Stafford Centre maintain its lofty status when compared to this highly publicized neighboring venue? Yes it can, thank you. Taking nothing away from the very expansive, impressive arena theater five miles to the west, the Stafford Centre, entering its thirteenth season, has appealing attributes that will continue its success, which is readily acknowledged by many who have attended performances in both. A momentous development occurred last year when the City renewed and extended its long standing agreement for its operations with FM Squared, headed by its President, Bryan Blume.

Few administrative functions gain more attention or are as important as zoning issues. Simply and critically put: These regulations provide for the orderly growth of the town. Under the tutelage of Chris Riggs, the original ordinance passed in 1997 and regularly upgraded, including a recent consulting contract to bring our current edition of the regulations in compliance with the much touted Comprehensive Development Plan revised after 42 years and adopted some 15 months ago, has the prospect of continuing to serve this most vital function well.

Collaborating with the permitting and inspecting of buildings and eateries, the functions of this department are further charged with keeping the City safe and appealing—and the staff does it very effectively. Of vital importance to providing our citizens with excellent services is the increasing revenues stream generated by these operations.

An important component is the Administration division. Like some of the other functions, it too has a fresh look. Tomika Lewis, the new City Secretary, is adjusting well and efficiently to the myriad of responsibilities from agendas to elections required of this officer, while spending a lot of time at conferences and seminars to get acclimated. She replaces the long tenured, extremely dedicated Bonnie Baiamonte, who retired last year and many felt was the face of City Hall. Occupying the important second spot as Assistant City Secretary and SEDC Secretary is Nici Browe. She succeeds Marian Roche, one of the most talented and conscientious administrative assistants the City has been fortunate to have, who also retired.

On the subject of the SEDC, it has a quite substantive role. With its seven member board under the Presidency of Councilman Wen Guerra, it plays a

substantive role in attracting businesses, as well as providing funding to not only maintain but enhance the Stafford Centre. It likewise has a new Executive Director—Patti Worfe—with an aggressive perspective and a sterling ability to relate to the business community and bring it closer to the City. She had no hesitancy in asserting that one of the main reasons she came to work with the City was the alluring incentive of the zero property tax. Additionally, the SEDC is spearheading a study through a consultant to access options to expand the operations of the Stafford Centre. This should render some positive direction in a most important decision. Supplement this with its involvement in the coordinated transformation of the former Texas Instruments 192 acre site on US 59 and the corporation has an active agenda.

While addressing the various divisions, we have saved for last the department which played a pivotal role this past year in the impact on the City: Finance. Most capably led for 14 years by Karen Austin, this department was widely applauded for its outstanding accomplishments in the areas of budgeting, accounting, health and general insurance and Human Resources.

In spite of all these functions being specifically prescribed in her job description, and her admirable performance of them during her tenure, which led to her receiving a continuing flow of flowery accolades from a host of auditors, bond counsels, insurance consultants, human resource specialist, and yes, citizens, during the budget process, one Council member publicly challenged her in an open meeting on her human resource expertise, claiming she should be divorced from that role, while another got word to her that since she was a mother, she needed to stop working and stay at home with her child—even though her daughter was in school much of the day. When Ms. Austin challenged them in a letter to the Mayor, they not only backed down, but relying on a comment by the City Attorney that the disagreement could be ‘resolved in the budget’, tried to make amends by giving Ms. Austin an 18% raise amounting to about an \$18,000. Most other City employees under the influence of the new salary study got a 2% hike and many became furious at what they considered as this discriminatory action. Irrespective, the damage was done. Less than two months later, Ms. Austin tendered her resignation and departed with the minimum notice. And another of our most capable staff leaders is lost!

While addressing the financial aspects of the City—as well as its overall operations and fiscal prudence--nothing has more of a bearing on this than the annual budget adopted by Council each September. The Mayor is required by the Home Rule Charter to submit the Mayor's Budget by the end of August and present a Budget Message the following week. This year there was a blatant and concerted effort to undermine the Mayor's Budget before it even had an opportunity to be fully presented. As soon as it was introduced, Councilman A. J. Honore submitted the first of several resolutions proposing to materially alter it, claiming it was not a 'balanced budget.' After being rebuffed by the City Attorney as to the inaccuracy of that assertion—and that it was indeed a balanced budget--Honore continued his assault by submitting more flawed resolutions, each attacking and materially amending the Budget, and each receiving a four vote majority in lock step with of his proposals. When the smoke had cleared, a budget bearing many of the fiscally irresponsible measures recommended in those flawed resolutions were included and adopted by Council on September 29. Most alarming, it left the City's cash resources, which have long been one of our greatest strengths, in a most vulnerable condition. I have developed the last 49 budgets of the City going

back to 1967. This is worst and most fiscally irresponsible budget ever adopted by this City.

It started out as an effort to strengthen the City's ability to capture and euthanize dogs and cats at large. Over the next few months, and with a strong intervention by animal rights groups wanting to protect these dogs and cats, it became a pursuit to adopt a 'no kill' provision for these small animals. In the end, those deeply caring for animals, led by the animal rights groups, were unsuccessful in getting Council to enact an ordinance with an aggressive 'no kill' provision bolstered by a trap, neuter and return policy, for feral cats. However, they were able to bring about a strong awareness that a great number of citizens were concerned about these small animals and desirous of establishing policies of this nature along with a shelter to facilitate these activities. What is equally clear: In order to truly achieve such status, groups and individuals interested in protecting these animals must do more than advocate, but become actively involved in the process, or otherwise, little along these lines will ever be achieved. Nevertheless, a significant stride has been taken to change the awareness of animal control, with emphasis on the truly humane treatment of these small animals residing in the City. A special Mayor's

committee is in the process of developing recommendations for Council to achieve these goals.

With all the presidential candidates talking about jobs, jobs, jobs, and just this past weekend, the CEO of Schlumberger, Paal Kibsgaard, emphasizing there is likely to be a strong resurgence in virtually all phases of oil and gas activity this year, the new workforce development facility at the Houston Community College-Stafford campus, entitled the Manufacturing Center of Excellence, appears to have come online at exactly the right time. Combining forces in 1985, the City of Stafford and HCC subsequently produced the Houston Community College-Stafford Campus, which is the largest in the entire HCC system with a continuing enrollment of 10,000 students. This recently opened \$20 million facility focusing on curriculums for high paying jobs will afford students an incredible opportunity to acquire the knowledge, training and certification necessary for a truly outstanding well-paying job, especially in the oil field manufacturing business. Consolidate that with a companion and long standing arrangement going back two decades between the City and HCC for the television station, SMETV, which is now negotiating an extension of the operating agreement in the Scarcella Science and Technology

Center. The Chancellor of HCC has personally expressed a strong interest in making sure that this unique collaborative effort will be one that advances the SMETV experience and the HCC efforts to elevate this important component of their own television broadcasting station. Consequently, the two governmental entities will be endeavoring to bring about a true experience in access television excellence.

It is only fitting we end this review where we began—with the Stafford Municipal School District. Over the past four decades, SMSD has held the distinction as the only municipal school district in Texas. During its three and a half decades of operations, it has had its share of ups and downs. This past year has seen some significant achievements, especially in athletics, band, robotics and some areas of academics. In spite of this, I have expressed concern about the overall level of academic achievement, the dwindling number of Asian and Anglo students, and especially the large number of Stafford children who do not attend SMSD. To their credit, superintendent Dr. Robert Bostic and school board President Arturo Jackson have been working on a plan to not only address these areas but one that has been a problem over many years: the lower academic achievement of the middle school. This plan will be fully

unveiled to the public in very short order. It is worthy of serious consideration.

This leads us to the path forward in the coming year.

G O a L S F O R 2 0 1 7

GOAL NO. 1. MAINTAIN CITY'S ZERO PROPERTY TAX.

No one attribute better defines and distinguishes, and has a more profound positive influence on the City of Stafford than the zero property tax rate. Thousands of citizens have located here because of it. Likewise, hundreds of businesses have chosen our City as a result of it. To lose it--as some would suggest as 'no problem'-would have a devastating impact on Stafford. Make no mistake: businesses would flee, residents would make an exodus and the status of this City would be severely damaged. Equally important: the ability of this City to attract residents and businesses would be greatly diminished. This critical dimension must not only be protected, but fervently embraced and vigorously fought to preserve to the extent necessary.

GOAL NO. 2. WISELY MAKE THE BOLD MOVE TO

ELEVATE SMSD TO THE TOP.

One of the truest axioms in politics: Timing is everything! In its decades long pursuit of educational excellence, SMSD has climbed very near the top—as in 1995 with the best test scores and most diverse student body in the Houston area—to near the bottom several years later when test scores plummeted and discipline was in an appalling state. Since then this District has clawed its way back to respectability, but still with serious deficiencies. So what is Bostic's and Jackson's plan to reach the summit. Simple, but certainly not easy nor cheap:

- *Elevate academic achievement at all levels;**
- *Aggressively pursue all Stafford students to attend SMSD;**
- *Develop programs and policies, that manifest an image that encourages a broadly diverse student body;**
- *Focus on restructuring and upgrading the long perplexing weak link in the system—the middle school; and**
- *Seek approval of the voters for funding for these new facilities and programs.**

If indeed timing is everything, this proposal may be our best opportunity to reach the pinnacle in the near future, and remain at the top of the educational ladder. However, considering the financial impact, which may reach upwards of \$50 million in construction costs alone, with operational expenses carrying a hefty price tag as well, it is imperative that a most thorough and astutely considered approach be engaged and pursued.

GOAL NO. 3. PROVIDE FOR STRONG EMERGENCY SERVICES.

A solid and efficient emergency services sector, revolving around the police, fire and emergency management components is vital to a sound and confident city. Personnel, equipment and facilities are most important. The City's expenditures in these areas have increased substantially in the past few years. Significant staffing, equipment and high tech costs in police and fire, as well as terrorist deterring enhancements in those areas and emergency management continue to be elevated. As addressed in the message the new million dollar ladder truck and the \$3 million dollars in fire fighting facilities all are intended to boost services in these operations. Stafford has not had to take a back seat to anyone in these

efforts. If that is doubted, just look at the times we have substantially aided other cities in these areas compared to the times the reverse has been true.

GOAL NO. 4. EXPAND STAFFORD CENTRE CAPABILITIES

Currently under consideration by the SEDC Board, in conjunction with a consultant, is the expansion of the capabilities, and resulting activities, on the Stafford Centre property. Since opening its doors thirteen years ago, this widely acclaimed venue has attracted upwards of four million guests. A preliminary plan has been developed for the utilization of some of the remaining properties on which this Centre lies. Those will be under careful consideration. All of the numerous aspects must be fully taken into account. With the significant interest of neighboring cities in establishing similar venues, (and a large and impressive arena having opened in Sugar Land in the last two weeks), it is most important that a well thought out, attention grabbing program, for staying ahead of the curve with this truly outstanding complex be accomplished in reasonably short order.

GOAL NO. 5. CAREFULLY MONITOR THE NEW LEGISLATIVE SESSION

The Texas Legislature just gaveled in its new session. With the state comptroller claiming a \$7 billion shortfall, this promises to be most challenging. Couple that with some very contentious social issues, and it becomes apparent that in order to protect this City and SMSD, we must be vigilant. For many years, since the law was changed such that a school district could not have a lobbyist, the City of Stafford has provided SMSD with a most competent legislative consultant to work on issues critical to our school district. There is no question that school finance will be front and center. Add to that the very substantial impacts that the Robin Hood program has on us, but maybe more importantly, larger cities, and it is obvious the stakes at play are high. For example, Austin is expected to have to pay \$400 million into the state coffers under Robin Hood. Having the state capitol's schools in such an undesirable situation obviously materially changes the dynamics of the funding of all public schools. Benefits could flow to SMSD as a result. Due to the strong opposition that Austin, Houston and Dallas and many larger cities now impacted by Robin Hood are going to assert in opposition to that financing vehicle, SMSD could be a major beneficiary. As for the City, our legislative consultant will be carefully monitoring sales tax issues.

This will be extremely important. As always every effort must be exerted to prevent policies and new laws which will water down our sales tax receipts. And those are just two of the most glaring examples where new laws could have very substantial impacts on both SMSD, the city and our citizens. We must keep a strong focus on this legislative session.

GOAL NO. 6. ENHANCE FM1092 CORRIDOR

Talk about a project which will dynamically alter not only the appearance but the viability of the area and you must be discussing the FM 1092 Corridor Improvement Program, which the city, in conjunction with the Texas Department of Transportation, Fort Bend County and the Houston – Galveston Area Council plan to orchestrate \$13 million in substantive improvements to this vital thoroughfare. The cities portion of this is expected to cost about \$1.5 dollars – – although there will be other required expenditures which are likely to increase that figure by another several hundred thousand dollars. Nevertheless, this will immensely enhance this very vital artery not only for vehicular mobility, but also for pedestrian engagement and enticing quality commercial

development, thus substantially elevating the dynamics of the easterly quadrant of our City.

**GOAL NO. 7. COLLABORATE ON
 'TRANSFORMATION' OF THE
 OLD TI TRACT**

While on the subject of revitalizing and elevating the development in Stafford, nothing takes a higher priority than the so-called 'transformation' of the old Texas Instruments property. Lying at the intersection of US 59, Kirkwood Road and W. Airport Boulevard, this 192 acre tract formerly housing the chip manufacturing facilities of TI for almost 50 years, (until company officials announced in January, 2012 it was shuttering the plant and selling the property), is being redeveloped by Street Level of Dallas, Texas, into a mixed use complex. Now in the fourth year of negotiations with the City, the project progresses, but not at the pace originally anticipated. One of the major points of disagreement has been the amount of money Street Level is insisting the City should pay them. That amount has ranged from initially \$26 million to over \$50 million and now allegedly back to an amount of \$13 million plus interest. The dispute has mainly centered around what will the City get for all these millions of dollars.

Moreover, one of the most critical concerns of City Council and the SEDC Board is exactly what the project is going to look like, and specifically, what establishments, commercial and otherwise, will be on the property. Specificity—are the lack thereof--has from the beginning been one of the major sources of discord with this developer. Putting a perspective on this is that this City has enjoyed some most prominent and beneficial developments by the Gordons of the Fountains on the Lake and by Midway of Freeport Southwest, without the City paying a dime to either—and with very clear specifics on exactly what those developers were going to bring to their property and our City. And they delivered just as promised. Street Level is saying they have a new innovative concept that should be a strong enticement—a 14,000 square foot ‘Food Hall’. This could be terrific. But, what about the other 191 acres? Stay tuned. Negotiations continue next month.

GOAL NO. 8. PURSUE COMMUTER RAIL

Want to talk about something that has been under negotiation for much longer than four years, then look to the proposed commuter rail line down US 90-A. First discussed with Congressman Tom DeLay in July, 2000, when he was one of the most powerful legislators in

Washington D.C., Stafford became a moving force that gained funding from the state legislature through the Texas Department of Transportation. With these resource and in conjunction with a host of other cities and entities, a feasibility study was conducted. In 2004, it concluded that such a commuter rail line along 90-A was indeed, a feasible project. However, since that time the proposal has met with opposition from METRO in Houston and others concerned about its success. Finally, after all of these years, and with the strong assistance of Congressmen Al Green and John Culbertson, this effort is finally gaining substantial traction. Obviously, there are no guarantees. However, for the first time in a long time it appears that this endeavor may be finally getting the necessary support to become a reality. Stafford, which has been a major player in this effort since day one, must continue with its effort to bring about this much-needed public transportation project.

GOAL NO. 9. LIVE WITHIN OUR MEANS.

This has been a postulate to which Stafford has long adhered. It is simple. It is direct. You live within the resources that are available to you. Most of our families and the large majority of our businesses adhere to it. What are the prime factors that can cause the City to

stray from this most logical premise? They are as follows:

***Bloating the bureaucracy. This is what will put a city into deep trouble faster than any other digression. It is not only the salary, but the benefits, the training, the continuing escalation in new, especially high tech equipment which is often quickly obsolete that occur when adding an employee, and usually, raises each year.**

***Construing wanted items for 'needed' ones. It is so easy to say we should have it. Is this the same criterion families and businesses use in making their assessment, and purchases. Many times not. The governmental expenditures are using public funds rather than the private funds of the officials making the decision. We must guard public funds even more cautiously than our own.**

***Carefully assessing the available resources of the City. A thorough evaluation of funds on hand in each instance is imperative. Simply saying it is in the budget is not enough. Just because there is a line item in the budget does not translate to a necessity of spending the funds. Budgets are estimates, often times made months in advance. Many governmental entities believe, and follow the practice, that if it is in the budget it should be**

spent regardless of the advisability of making the acquisition. This is where Stafford has long distinguished itself. In most instances, we have spent money only when the item is need. That is why Stafford has stronger cash balances than the great majority of governmental entities. Living within our means is a sound practice and a principal that should be a firm goal.

**GOAL NO. 10 RESPECT OUR CITY
EMPLOYEES**

As noted throughout, many of our most valued employees have left the City within the recent short term. The reason is very clear. Our City policies firmly state that all employees should be able to enjoy a work environment free from all forms of discrimination, including sexual harassment. This simply has not been the case. The City Attorney has often stated that Council can take appropriate action as long as there are four votes. Council voted four to three to approve the nomination of Jonathan Farmer as City Secretary. However, several days after the vote was taken, Mr. Farmer, who has a serious hearing disability, has to have a service dog to assist him, yet was one of the smartest employees ever to work for the City, was

intimidated out of taking the position of City Secretary, and was told if he did he might well be terminated. This was only one instance in a 16 page Investigation Report by the law firm of Olson & Olson, costing the City thousands of dollars and submitted to Council on complaints against a Council Member. The main claim addressed in the report led to a female employee filing an Equal Employment Opportunity Commission Complaint against a Council Member, in which she ultimately settled for \$15,500. The respect of some on City Council for City employees is most insensitive. When the City Attorney is asked if there is anything that can be done about this unfortunate situation, he says his job is to protect the City, which he does well. It is the employees—especially the females and the disabled—for whom I have serious concern.

GOAL NO. 11 PRIORITIZE INFRASTRUCTURE NEEDS.

Late in 2015, City Council adopted a Comprehensive Development Plan. In that Plan, there is significant attention paid to infrastructure needed by the City over the forthcoming 25 years. One of the main aspects of the Plan is for Council to prioritize these various needs.

While drainage has been the central focus this past year, streets, parks and other amenities is at the forefront of projects that will enhance and elevate not only the functionality and mobility of this City, but what has the capability of setting us apart. One cannot overlook the Street Level mixed use development, which will require an abundance of costly needs. Couple that with the FM1092 Corridor improvement Program, and these two endeavors alone will require an inordinate amount of attention—and obvious funding. Then add the anticipated additions to the Stafford Center, and together these three complexes can take us well into the coming decade. The process starts soon with the Planning and Zoning Commission under the direction of its Chairman, Xavier Herrera.

GOAL NO. 12 DIVERSIFY RESIDENTIAL DEVELOPMENT

There is concern about the potential for residential development in our city. However, on this topic I believe there is unnecessary trepidation. Assuming that we continue with a policy emphasizing 7,000 square-foot lots, then there may well be disappointment. What

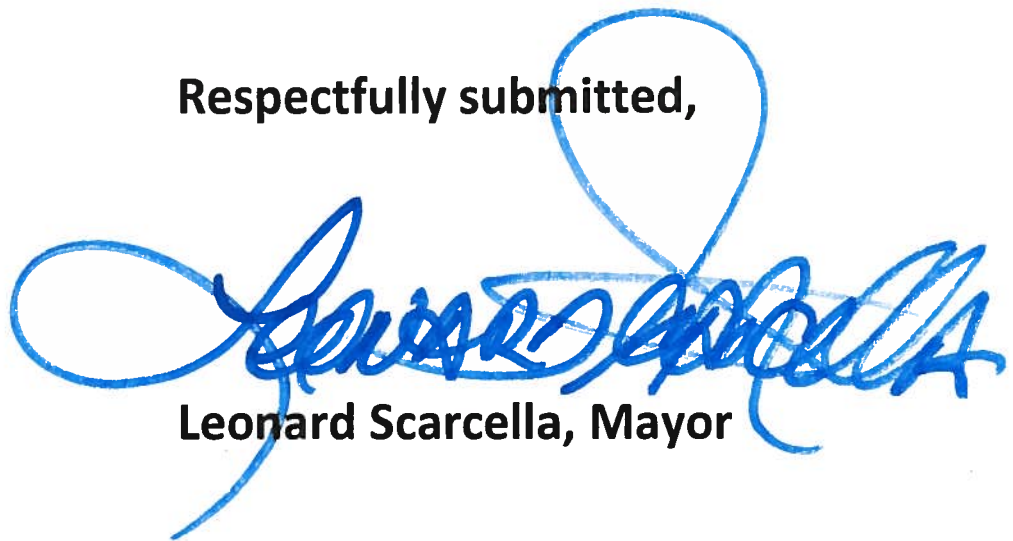
must be kept clearly in mind: Stafford is an urban city. With that understanding then smaller and more varied construction must be not only allowed but emphasized. And we don't have to go far to see many illustrations of that. While Sugar Land and Missouri City have this type of construction, Houston has a much broader array of housing that will work very well here, especially considering the limited amount of land that is left and even more important is the need for reclamation of many small tracts. In fact, in the very short term I anticipate we will be asked to amend some of our land use requirements to allow just this type of urban residences.

C O N C L U S I O N

It is said that Rome was not built in a day. Stafford, who has come a very long way in nearly 61 years, and still has much to achieve in the next several decades. One thing is quite clear: This City has tremendous potential now. With President Trump having given the green light to oil and gas production since taking office just a few days ago, the financial outlook for this City has become very bright. Considering that much of our economy is built around oilfield valve manufacturing companies, which are the major source of revenues

flowing into Stafford—something many can't seem to grasp—and their resurgence will provide financial activities that will substantially bolster our City. If anyone doubts this, just think of when the oil and gas sector has been strong, and it can be clearly shown, that is also when we have been most economically vibrant. Furthermore, the entire country is focused on providing quality, high paying jobs. No city has a stronger potential in this area than we do—especially with so many foreign corporations operating here and with the new workforce development center. With this clearly in mind, we must continue to recognize the importance of fiscal prudence. We cannot produce enough to out run irresponsible spending. Nevertheless, with the promising economic situation and with the responsible use of our resources, Stafford can not only maintain its zero property tax, but can have an exceedingly prosperous year in 2017!

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Leonard Scarcella", is written over the printed name. The signature is stylized with large loops and flourishes.

Leonard Scarcella, Mayor